

EXHIBIT 2

UNITED STATES DISTRICT COURT NORTHERN DISTRICT
OF CALIFORNIA, SAN FRANCISCO DIVISION

CALIFORNIA BERRY CULTIVARS, LLC,)

)

Plaintiff,)

)

vs.)Case No.

)3:16-cv-02477-VC

THE REGENTS OF THE UNIVERSITY OF)

CALIFORNIA, a corporation,)

) CONFIDENTIAL

Defendants.)

)

THE REGENTS OF THE UNIVERSITY OF)

CALIFORNIA, a corporation,)

)

Cross-Complainant,)

)

vs.)

)

CALIFORNIA BERRY CULTIVARS, LLC,)

DOUGLAS SHAW, and KIRK LARSON,)

)

Cross-Defendants.)

)

VIDEO-RECORDED DEPOSITION OF PERSON MOST KNOWLEDGEABLE

FOR THE REGENTS

OF THE UNIVERSITY OF CALIFORNIA

MICHAEL CARRIERE

San Francisco, California

December 20, 2016

Transcribed by:

DENISE HERFT

CSR No. 12983

1 THE WITNESS: I can speak to the steps as
2 you bring them up.

3 BY MR. LIPPETZ:

4 Q There were some steps is all I'm getting
5 at --

6 MR. CHIVVIS: Same objection.

7 BY MR. LIPPETZ:

8 Q -- correct?

9 A There were steps at the University leading
10 up to a release of a strawberry variety.

11 Q Yes.

12 A Yes.

13 Q We mentioned before the last patented
14 strawberry variety was released January 2015;
15 correct?

16 A Cabrillo was released in January 2015.

17 Q Has there been a strawberry variety
18 released since January 2015?

19 A There has not been a strawberry variety
20 released since then.

21 Q Have any steps been taken at the
22 University to prepare to release a strawberry
23 variety in January 2016 -- sorry, 2017?

24 A So here I think is the issue with steps,
25 steps could be anything from the time of release

1 pursued to patent issued; do you see that?

2 A Okay. Hold on. Oh, the final bullet?

3 Q Yes.

4 A Yeah.

5 Q So if it is not your text, happy to
6 explain, but didn't you advise Leslyn in
7 November 2014 that a separate non-provisional
8 patent application needs to be filed for each claim
9 patent variety?

10 MR. CHIVVIS: I don't think you read the
11 whole bullet there, Greg.

12 MR. LIPPETZ: Please, just make your
13 objection, Michael -- or Matthew. It's not
14 appropriate to have a speaking objection what he
15 should or shouldn't read, okay. My question was
16 clear, if you want to object to it, please do.

17 THE WITNESS: So, again, the question was
18 about the final bullet?

19 BY MR. LIPPETZ:

20 Q The question is, did you advise Leslyn
21 Krauss in November 2014 that a separate
22 non-provisional application was to be filed for
23 each patent variety claimed?

24 A So I mean the bullet is what it is, it's
25 there and I -- this is from me so I wrote that.

1 The context is for an item that's going to be
2 carried through to issuance. It doesn't need us,
3 thus was the case, for example, with Cabrillo, that
4 was at one part of the broader application and has
5 since been filed separately as a non-provisional
6 and can be carried through to issuance in that way.

7 Q And in 2015 the University filed an
8 authorized its lawyers to file a non-provisional
9 patent application claiming 168 different varieties
10 in one application; correct?

11 A 168 at that point, yeah.

12 Q Okay. And in October of this year the
13 patent office issued an office action telling the
14 University it was improper to claim 168 patent
15 varieties in one application; correct?

16 MR. CHIVVIS: Objection; documents speaks
17 for itself; calls for a legal conclusion.

18 THE WITNESS: Again, it would be helpful
19 if you have it.

20 BY MR. LIPPETZ:

21 Q And this is not necessarily the way you
22 want to do this, but I get the right to ask the
23 question. I could be looking at this and say,
24 "isn't it true." So isn't true that the patent
25 office advised the University in October of this

1 made a request for plant patent.

2 Q So Dr. Shaw was discussing as an invention
3 the use of these 180 germplasm for breeding under
4 utility patent or alternatively for a licensing as
5 tangible research property; correct?

6 A So here we have reference to Doug's
7 request for consideration of utility patent so did
8 the TRP idea come from Doug or otherwise? Maybe
9 the document will be a dispositive on that.

10 Q If you look at the third full paragraph.

11 A Oh, yeah, okay. So it talks about TRP or
12 under utility patent?

13 Q Right.

14 A Okay. Yeah.

15 Q The University elected to pursue by filing
16 a provisional patent application on the 160 --
17 strike that. Let me get this clear. The original
18 provisional patent application we've been talking
19 about was on 169 varieties; is that correct?

20 A That makes sense because it's 168 now, and
21 Cabrillo was capped off, carved out.

22 Q So one became a plant patent and then 168
23 are still pending; correct?

24 A Cabrillo is, I understand, still pending
25 as well.

1 present, so I guess I think those are co-extensive,
2 the department members present was the -- were
3 members of the departmental cultivar release
4 committee, so yes, I think the discussion was in
5 the context of the Plant Sciences department
6 cultivar release committee, yeah.

7 MR. CHIVVIS: And as to the issues within
8 the committee and that side of the equation within
9 the College of Agriculture, this witness is not
10 designated to answer on behalf of the University.

11 BY MR. LIPPETZ:

12 Q The recommendation as modeled in this
13 document from Plant Sciences is in bold on the
14 second page there, and it discusses handling the
15 germplasm disclosed by Dr. Shaw under University
16 regulations governing TRP; correct?

17 A Focused on the bold section?

18 MR. CHIVVIS: Again, same scope objection.

19 THE WITNESS: Okay. So, yeah, it looks
20 like their recommendation is focused on TRP, yeah.

21 BY MR. LIPPETZ:

22 Q Your department would have become involved
23 had the germplasm been licensed outside the
24 University as TRP; correct?

25 MR. CHIVVIS: Objection; vague.

1 THE WITNESS: So that would be an unusual
2 situation for us to think about licensing in an
3 environment where we haven't -- where we're not
4 contemplating a formal intellectual property, so
5 it's a paradigm that in some ways is without
6 precedent because we engage in licensing around
7 formal intellectual property and TRP, you know,
8 isn't something we were contemplating we were going
9 forward with, but in the hypothetical scenario, if
10 we were, you know, to contemplate licensing,
11 licensing activity resides with tech transfer, so
12 in that hypothetical scenario where this was going
13 forward with a -- in a TRP versus a formal IP
14 structure, perhaps, perhaps it would have been our
15 office, but that's not the case. I mean, it
16 doesn't go forward with TRP so it's not -- I don't
17 have precedent to lean on to say, well, naturally
18 we engage around TRP, but the best I can think of
19 is that because we do engage around licensing that,
20 yeah, we might well have been involved but it
21 wasn't TRP so it's kind of a non-issue.

22 BY MR. LIPPETZ:

23 Q The University has a policy that discusses
24 treatment of tangible research products or TRP;
25 correct?

1 MR. CHIVVIS: Object on scope. This
2 witness is not designated on the protection of IP
3 issues. Because you're talking about
4 non-intellectual protection, which is a policy you
5 had Mary Delaney testify on. You asked her all
6 about guideline 10, that's where you're going;
7 right?

8 BY MR. LIPPETZ:

9 Q Does the University have a policy relating
10 to tangible research products?

11 MR. CHIVVIS: Same objection.

12 THE WITNESS: So I'm -- I don't live in
13 this space, but I have a vague awareness of policy
14 around TRP.

15 BY MR. LIPPETZ:

16 Q So has your department ever used the TRP
17 policy to protect the University's intellectual
18 property?

19 A I'm trying to think broadly so there's so
20 many activities involved both plant and, of course,
21 utility is a huge area, and then we have material
22 transfer group that's under the hospices of
23 innovation access, so to the extent that there are
24 tangible materials that are covered under a
25 material transfer agreement, certainly then our

1 office would have some activity around TRP
2 materials biological materials, et cetera, but it's
3 different in kind from the environment that was
4 contemplated I think here as we were just
5 discussing as where it would have been a licensing
6 for income model.

7 So I think in part of the answer is yes,
8 the office does contemplate activity around
9 tangible materials by way of material transfer
10 agreements. There's a group in our office that
11 works specifically in that area. But not to my
12 knowledge do we think of it as something we would
13 license out with an expectation of income back,
14 back to the University.

15 MR. CHIVVIS: How long have we been going
16 since the last?

17 THE VIDEOGRAPHER: 58 minutes.

18 MR. CHIVVIS: Want to do another set or
19 break now? It's your choice.

20 MR. LIPPETZ: Yeah, let's take a break.

21 THE VIDEOGRAPHER: Don't forget your
22 microphones, please.

23 The time is 5:31 p.m. We are off the
24 record.

25 (Recess taken from 5:31 until 5:44.)

1 Q So if a UC variety that was -- as to which
2 patent protection had been sought in the U.S. but
3 not yet obtained was used for breeding in Spain
4 with the resulting seeds imported into the U.S.,
5 that couldn't be patent infringement of the U.S.
6 patent because there wasn't a patent yet, is that
7 consistent with your understanding?

8 A So what I know about plant patents, and
9 this is really more a matter for patent attorneys,
10 is the bundle of rights that are available upon
11 issuance there is some capacity to reach back in
12 time with respect to perhaps with damages, I'm not
13 sure they have that right, but I know there's some
14 aspect whereby even pre-issuance there are some
15 retroactive rights that the patent holder has.

16 Q And I'm not trying to get into the legal
17 particulars of pre-issuance damages, so we can move
18 on.

19 We saw documents before about that the --
20 Dr. Shaw's submission of 180 plants, which
21 ultimately resulted in, led to, not sure what the
22 right word is, the University sought patent
23 protection on 168 of those and that patent
24 application is still pending. Who at the
25 University made the decision to seek plant patent

1 protection for those 168 varieties?

2 A So the general authority for such a
3 decision resides within the tech transfer office.
4 As we know from examination of documents earlier
5 around meeting that Clint and I attended with the
6 department of Plant Sciences, a variety release
7 committee, there was input from that group with I
8 would say in that meeting some pushback from Clint
9 in particular, and I agreed in terms of the
10 suitability of the U.S. plant patent as an approach
11 over the utility and the TRP approach that came up
12 in that meeting, so we were listening to
13 stakeholders in that meeting but also providing
14 some counter-bailing view, maybe some pushback in
15 that meeting that the ideas that had come into that
16 forum were -- they were given sort of an advance
17 signal that tech transfer's choice would likely be
18 a U.S. plant patent, and we weren't sort of in
19 concurrence with the notion of that group at that
20 time, and that's what came to pass.

21 So the tech transfer exercised -- office
22 exercised its autonomous capacity to choose the
23 most appropriate path of intellectual property
24 protection for this particular complement of
25 varieties, so it resided in tech transfer sort of

1 collaboratively with the director and with my
2 supervisor and -- but within the confines of tech
3 transfer, of course, with, then, the approval of
4 the Dean that we go forward in that fashion as
5 well, ultimately.

6 Q So at the time that tech transfer was
7 making the decision about what type of intellectual
8 property protections to use, had the Dean's office
9 already rejected in writing the Plant Science
10 department proposal to treat the germplasm's TRP?

11 A So my recollection of the sequence was the
12 Dean's office was saying no to the TRP, and then
13 was there overlap with discussions around plant
14 patenting, we would have let the Dean's office know
15 of our analysis that suggested plant patenting was
16 in our view the best approach, but I would have to
17 go to a white board or something and sketch out the
18 time frame to really know when sort of one
19 discussion ended and the next one started, but it
20 was pretty contemporaneous there when those things
21 were happening.

22 Q Did tech transfer -- prior to the Dean
23 notifying Plant Sciences that she was rejecting
24 their proposal, did tech transfer go back to Plant
25 Sciences and inform them that they were going to be

1 seeking plant protection -- plant patent
2 protection?

3 A Okay. I don't recall if that was a step
4 that happened. Keeping in mind that it -- it's a
5 step that in some ways had happened with Clint
6 putting forward strong reservations about the other
7 two paths in that meeting, subject of the document
8 we looked at with the departmental group, so I
9 think they were certainly on notice that we were
10 going to be, you know, contemplating and seriously
11 considering and maybe even moving down the path of
12 plant patents.

13 I would imagine that there was some
14 knowledge that made its way back to the department,
15 just don't recall the form and what time frame that
16 happened.

17 Q Did --

18 MR. CHIVVIS: And just let the record
19 reflect that the witness was referring to
20 Exhibit 118.

21 BY MR. LIPPETZ:

22 Q Did tech transfer ever go back to Dr. Shaw
23 or Dr. Larson and relay to them that it was not
24 going to pursue the recommendation of Plant
25 Science's but rather seek plant patent protection

1 Q So was it the University's conclusion in
2 December 2013 that it was impossible to seek
3 utility patent protection for these 180 in at least
4 part because of this requirement for deposit of
5 callus tissue?

6 MR. CHIVVIS: Objection; calls for a legal
7 conclusion.

8 THE WITNESS: So outside of a legal
9 conclusion about the permissibility of filing
10 utility patent on the strawberry lines, the view is
11 that we had something to overcome that we didn't
12 think we could overcome.

13 BY MR. LIPPETZ:

14 Q Did the -- you mentioned before that the
15 TRP option recommended here, I think you gave some
16 testimony earlier that TRP was not a regularly used
17 form of IP protection by tech transfer; correct?

18 A Right. We chatted a bit about the
19 material transfer agreements and a group in our
20 office that works with biological materials in that
21 context, so there certainly is activity in our
22 office around biological materials, but to
23 contemplate licensing out under TRP for dollars,
24 consideration coming back in is not something that
25 we, to my knowledge, have done.

1 Q The TRP option wouldn't have required the
2 deposit of callus tissue, though; correct?

3 A Right, just distinct from the utility, the
4 concern that we had around the utility patent
5 filing.

6 Q The concern tech transfer had around TRP
7 was what?

8 A May I have a look to refresh?

9 Q Sure.

10 A Thanks. So the second paragraph in this
11 118 document resonates with my recollection of our
12 concerns around TRP at that time, which were based
13 in the reality of building a licensing program
14 around contractual rights independent of IP rights
15 and the inherent weakness in stepping into such a
16 model, so I think it had to do with concerns around
17 the weakness of a contractual contract based
18 arrangement.

19 Q So it was the opinion of tech transfer at
20 this time that licensing under TRP as stated here
21 would not provide as strong intellectual protection
22 as a plant or utility patent; correct?

23 A Not as strong, and one could contemplate
24 in an environment where the plants might find their
25 way outside of the contractual network that it

1 provides no protection, so it's not sort of just a,
2 you know, it provides 90 percent and we want 100
3 percent. The concern would be that it one day we
4 might find ourselves with zero percent protection
5 if the plants, for whatever reason, found their way
6 out -- were outside of the contractual structure
7 that we put in place.

8 Q The University relies on written contracts
9 in the form of its licenses with people like Lassen
10 and Eurosimius as a way to enforce its intellectual
11 property rights in the strawberry cultivars;
12 correct?

13 A License agreements around the IP, yes.

14 Q A lot of the test agreements, for example,
15 that deal with varieties that aren't patented yet;
16 correct?

17 A Some subset of test agreements do have as
18 their subject matter patented varieties. Some
19 subset have only patented, some have only
20 non-patented, and some might have a combination of
21 both.

22 Q As to the non-patented varieties of
23 strawberries that are the subject of test
24 agreements, the University's intellectual property
25 rights in those Cultivars or plants are protected

CERTIFICATE

OF

CERTIFIED SHORTHAND REPORTER

I, the undersigned, Certified Shorthand Reporter of the State of California do hereby certify:

That the foregoing proceedings were taken before me at the time and place therein set forth; that any witnesses in the foregoing proceedings, prior to testifying, were placed under oath; that a verbatim record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my direction; further, that the foregoing is an accurate transcription thereof.

I further certify that I am neither financially interested in the action nor a relative of employee of any attorney of any of the parties.

IN WITNESS WHEREOF, I have this date subscribed my name

<%signature%>

Dated: December 23, 2016

Certificate Number 12983

Page 253

ERRATA SHEET

Case Title: California Berry Cultivars, LLC v. The Regents of the University of
California (U.S.D.C. N.D. Cal. Case No. 3:16-cv-02477-VC)
Testimony of: Michael Carriere
Date Taken: December 20, 2016

page 19 line 22 – strike “right” and “industry”
page 20 line 2 – replace “product” with “products”
page 21 line 23 – replace “negligence” with “negotiation”
page 22 line 12 – replace “in” with “with”
page 22 line 14 – replace “agreement” with “agreements”
page 33 line 5 – spelling of “Camarosa” (here and throughout document)
page 44 line 8 – replace “supportive” with “supportive of”
page 53 line 3 – strike “its”
page 54 line 6 – spelling of Eurosemillas (here and throughout document)
page 68 line 4 – insert “a” after “of”
page 70 line 24 – replace “pro generator” with “progenitor”
page 71 line 7 – strike “he”
page 71 line 11 – replace “advising” with “anthropomorphizing”
page 71 line 17 – replace first “I” with “it”
page 72 line 13 – replace “lists” with “list”
page 80 line 1 – replace “not” with “that”
page 80 line 2 – replace “slash” with “ask”
page 98 line 14 – replace “its” with “this”
page 101 line 24 – replace “at” with “has”
page 107 line 11 – strike “it”
page 107 line 19 – insert “a” after “it’s”
page 107 line 19 – replace “to” with “that”
page 111 line 6 – replace “revisions” with “provisions”
page 116 line 23 – invert “topic larger”
page 121 line 5 – replace “pro-generator” with “progenitor”
page 122 line 21 – replace “explain” with “explained”
page 122 line 21-22 – replace “link the” with “linked to”
page 125 line 11 – insert “to be” after “understand”
page 129 line 8 – replace “independent” with “individual”
page 130 line 1 – replace “that” with “the”
page 134 line 9 – replace “has” with “is”
page 135 line 9 – strike “of”
page 135 line 10 – replace “that’s” with “that”
page 146 line 12 – replace “got” with “need”
page 151 line 2 – replace “that’s” with “that it’s”
page 155 line 3 – replace “absolute” with “absolutely”
page 155 line 7 – replace “but” with “it”
page 168 line 25 – insert comma after “plant”
page 176 line 9 – strike “a”

page 182 line 22 – replace “hospices” with “auspices”
page 186 line 2 – replace “wouldn’t” with “would”
page 186 line 3 – replace “we had to misrepresent” with “had we misrepresented”
page 188 line 8 – strike “the”
page 191 line 1 – insert “different” after “entirely”
page 191 line 1 – replace “that” with “that’s”
page 191 line 22 – invert “might we”
page 192 line 23 – invert “the University” and “within”
page 192 line 23 – replace “University” with “University’s”
page 192 line 24 – strike “the”
page 194 line 18 – replace “appropriately” with “inappropriately”
page 203 line 11 – insert comma after “University”
page 209 line 13 – strike “then”
page 211 line 14 – insert “with” after “disagreed”
page 218 line 5 – insert “the” after “around”
page 218 line 14 – replace “counter-bailing” with “countervailing”
page 228 line 3 – replace “just” with “it’s”
page 229 line 3 – strike “it”
page 230 line 20 – replace “would” with “wouldn’t”
page 240 line 12 – insert “a” after “for”
page 240 line 12 – replace “and” with “in”
page 244 line 23 – replace “charge” with “chart”
page 244 line 23 – replace “the” with “they”
page 247 line 9 – replace “their” with “there”
page 250 line 23 – replace “intend today” with “intended to”